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# Working in Iraq as a U.S. Small Business (Part II)

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- **By**  
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**CAPE Environmental**
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# Iraqi Partnerships

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- **Key Iraqi cultural and business consultants**
  - **Baghdad engineering & survey company**
  - **Integrated with Director General of Roads and Bridges in each Governate**
  - **Support from Mayors and Governors**
  - **Integrated QC Approach – National Center Laboratory, Local Authorities, Iraqi Consultants, University of Al Anbar**
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# Governor's Agreement on Alignment

بسم الله الرحمن الرحيم

ملحق مختصر شتم موقع جسر عمر بن عبد العزيز على نهر الوزار في مدينة الرمادي

الموافق بالمختصر الأول الموضح ٢٠٠٤/٩/٢٣ واستناداً إلى المتدولة مع السيد محافظ الأنبار بتاريخ ٢٠٠٤/١٠/١٩  
٢٠٠٤ فقد حصلت الموافقة على جعل مسار الجسر عمودياً على مجرى نهر الوزار و باستقامة طريقه حي  
التنظيم ووفق الاحداثيات المتدولة لاحقاً :

١- من جهة الرمادي :

LAT N 33 25 52.33  
LON E 43 16 20.38

٢- من جهة التنظيم نفس الاحداثيات المتدولة في المختصر السابق وهي :

LAT N 33 25 44.99  
LON E 43 16 14.11

عبد الله محمد العيسى

مدير طرق و جسور محافظة الأنبار

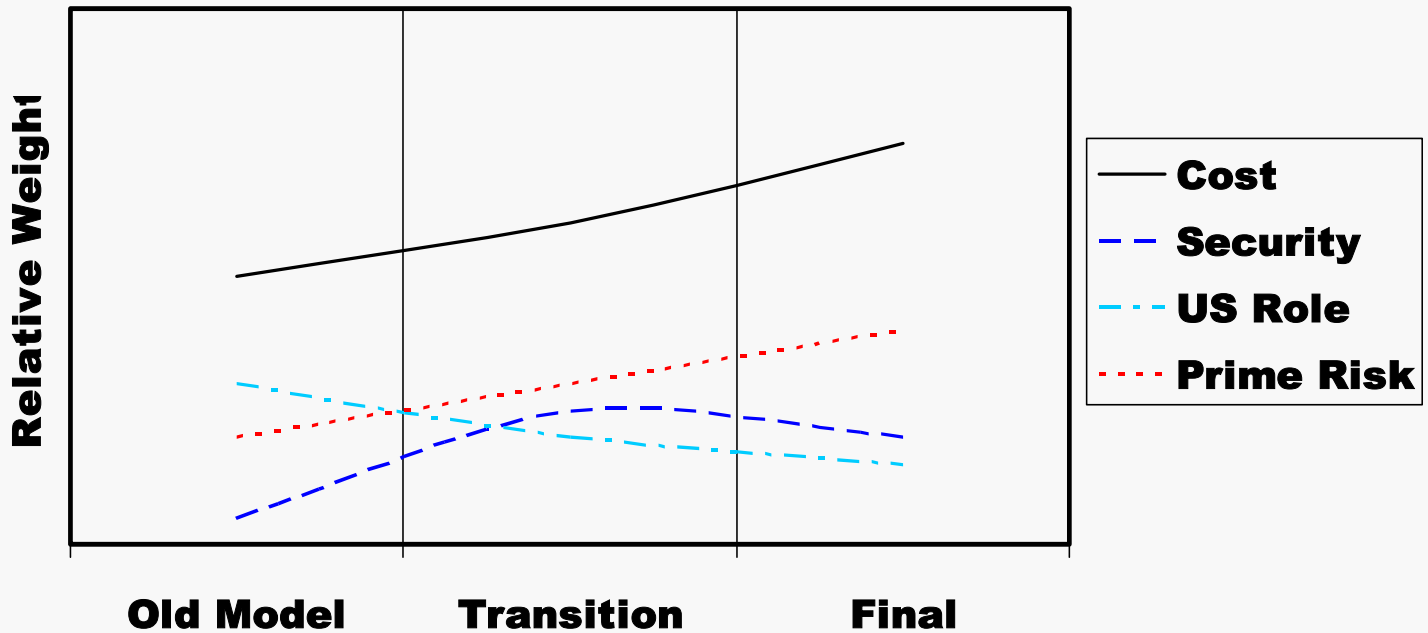
٢٠٠٤ / ١٠ / ٢٠



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# Responding to Changing Conditions





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# Being in Transition

Original Bid	Current Situation
<ul style="list-style-type: none"><li>• Office Complex at Job Site</li><li>• 4 CAPE Staff at Job Site</li></ul>	<ul style="list-style-type: none"><li>• No Americans at Job Site</li></ul>
<ul style="list-style-type: none"><li>• 5 Months Duration</li></ul>	<ul style="list-style-type: none"><li>• 12 Months Duration</li></ul>
<ul style="list-style-type: none"><li>• Red Zone living/office</li></ul>	<ul style="list-style-type: none"><li>• Green Zone living/office</li></ul>
<ul style="list-style-type: none"><li>• Existing Designs</li></ul>	<ul style="list-style-type: none"><li>• New Designs</li></ul>
<ul style="list-style-type: none"><li>• Location Fixed</li></ul>	<ul style="list-style-type: none"><li>• New Alignment</li></ul>
<ul style="list-style-type: none"><li>• Technology Transfer</li></ul>	<ul style="list-style-type: none"><li>• Minimal Technology Transfer</li></ul>
<ul style="list-style-type: none"><li>• Iraqi Engineering Company</li></ul>	<ul style="list-style-type: none"><li>• Iraqi Engineering Company withdrew</li></ul>
<ul style="list-style-type: none"><li>• Iraqi Nationals for Security</li></ul>	<ul style="list-style-type: none"><li>• Only coalition country security</li></ul>

## Maximize Local Labor Use

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# Meeting Challenges During Transition

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- **Life Support and Security Cost Impacts**
  - **Lack of Modern and Specialized Equipment**
  - **Quality and construction methods have not been updated**
  - **Changing the Procurement Process**
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# Reduce Cost and Make Use of Savings

## Life Support

- **Given:**

**\$100 room + \$54 Food for 14 people =  
\$64,680/month**

- **Actual:**

**Food** **\$**

**2,000/month**

**Rent**

**\$15,000/month**

**House staff** **\$**

**Savings of \$45,000 with G&A plus Fee.**

**In 7 months this means \$320,000 available for construction.**

**Total**

**\$20,000/month**



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# Reduce Cost and Make Use of Savings

## Office Space

- **Given:**  
**\$12,000 per month per location =**  
**\$36,000/month**
- **Actual:**  
**Co-locate with living space =**  
**\$0/month**



**Savings of \$40,000 per month with G&A plus Fee.**





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# Transfer and Reduce Cost in Transition

## Security

- **Given:**  
**\$27,000 per month per Operator =**  
**\$486,000/month**
- **Actual:**  
**Reduce Operators by 50% =**  
**\$243,000/month**



**Savings of \$243,000 per month with G&A plus Fee.**



# Challenge of Schedule Growth

## Security

- **Given:**  
**10 Iraqi Nationals @ \$600/month = \$ 6,000/month**
- **Actual:**  
**5 Ex-Pats @ \$30,000/month = \$150,000/month**  
**Hardened Vehicle = \$ 10,000/month**

**Deficit of \$154,000 per month with G&A plus Fee.**



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# Necessary Equipment





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# Procurement Strategy for GC

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- **Use of Iraqi Consultants and Lawyers**
    - Bid issued in traditional Iraqi manner
    - Pay for Bid Document/Tender \$300
    - Pre-screening of bidders
  - **Local contractors whenever possible**
  - **Lock boxes at Mayor's Office –Keys held by CAPE**
  - **Evaluation by CAPE with local government**
  - **Interview by CAPE of top two bids**
  - **Selection by CAPE on Best Value**
  - **Contract with Iraqi Law Firm**
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# Tricks of the Trade

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- **Building bridges between societies that will guide future endeavors**
  - **Putting local labor force to work**
  - **Using local vendors and suppliers**
  - **Making the Ground Commander's mission less complicated**
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# Points to Ponder

